



General Assembly

Substitute Bill No. 383

January Session, 2013



**AN ACT ESTABLISHING A MUNICIPAL OPTION TO PROVIDE AN
ADDITIONAL PROPERTY TAX EXEMPTION FOR ONE HUNDRED PER
CENT DISABLED VETERANS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-81g of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2013, and*
3 *applicable to assessment years commencing on and after said date*):

4 (a) Effective for the assessment year commencing October 1, 1985,
5 and each assessment year thereafter, any person entitled to an
6 exemption from property tax in accordance with subdivision (19), (20),
7 (21), (22), (23), (24), (25) or (26) of section 12-81, reflecting any increase
8 made pursuant to the provisions of section 12-62g, shall be entitled to
9 an additional exemption from such tax in an amount equal to twice the
10 amount of the exemption provided for such person pursuant to any
11 such subdivision, provided such person's qualifying income does not
12 exceed the applicable maximum amount as provided under section
13 12-81l, except that if such person has a disability rating of one hundred
14 per cent as determined by the [Veterans' Administration of the] United
15 States Department of Veterans Affairs, the total of such adjusted gross
16 income, individually, if unmarried, or jointly, if married, in the
17 calendar year ending immediately preceding the assessment date with
18 respect to which such additional exemption is allowed, is not more
19 than twenty-one thousand dollars if such person is married or not

20 more than eighteen thousand dollars if such person is not married.
21 [Any claimant who, for the purpose of obtaining an exemption under
22 this section, wilfully fails to disclose all matters related thereto or with
23 intent to defraud makes any false statement shall forfeit the right to
24 claim such additional veteran's exemption.]

25 (b) (1) Effective for the assessment year commencing October 1,
26 2013, and each assessment year thereafter, any municipality may, upon
27 approval by its legislative body or, in any town in which the legislative
28 body is a town meeting, by the board of selectmen, provide that, in lieu
29 of the additional exemption prescribed under subsection (a) of this
30 section, any person entitled to an exemption from property tax in
31 accordance with subdivision (20) of section 12-81, reflecting any
32 increase made pursuant to the provisions of section 12-62g, who has a
33 disability rating of one hundred per cent, as determined by the United
34 States Department of Veterans Affairs, shall be entitled to an
35 additional exemption from such tax in an amount equal to three times
36 the amount of the exemption provided for such person pursuant to
37 subdivision (20) of section 12-81, provided such person's total adjusted
38 gross income as determined for purposes of the federal income tax,
39 plus any other income not included in such adjusted income,
40 excluding veterans' disability payments, individually if unmarried, or
41 jointly with spouse if married, during the calendar year ending
42 immediately preceding the filing of a claim for any such exemption, is
43 not more than twenty-one thousand dollars if such person is married
44 or not more than eighteen thousand dollars if such person is not
45 married.

46 (2) The provisions of this subsection shall not limit the applicability
47 of the provisions of subsection (a) of this section for persons not
48 eligible for the property tax exemption provided by this subsection.

49 (c) Any claimant who, for purposes of obtaining an exemption
50 under this section, wilfully fails to disclose all matters related thereto
51 or with intent to defraud makes any false statement shall forfeit the
52 right to claim such additional veteran's exemption.

53 [(b)] (d) Effective for the assessment year commencing October 1,
54 1986, and each assessment year thereafter, any person entitled to an
55 exemption from property tax in accordance with subdivision (19), (20),
56 (21), (22), (23), (24), (25) or (26) of section 12-81, reflecting any increase
57 made pursuant to the provisions of section 12-62g, and who is not
58 receiving or is not eligible to receive the additional exemption under
59 subsection (a) or (b) of this section, shall be entitled to an additional
60 exemption from such tax in an amount equal to one-half of the amount
61 of the exemption provided for such person pursuant to any such
62 subdivision.

63 [(c)] (e) The state shall reimburse each town, city, borough,
64 consolidated town and city and consolidated town and borough by the
65 last day of each calendar year in which exemptions were granted to the
66 extent of the revenue loss represented by the additional exemptions
67 provided for in [subsection (a)] subsections (a) and (b) of this section.
68 The Secretary of the Office of Policy and Management shall review
69 each claim for such revenue loss as provided in section 12-120b. Any
70 claimant aggrieved by the results of the secretary's review shall have
71 the rights of appeal as set forth in section 12-120b. In the fiscal year
72 commencing July 1, 2003, and in each fiscal year thereafter, the amount
73 payable to each municipality in accordance with this section shall be
74 reduced proportionately in the event that the total amount payable to
75 all municipalities exceeds the amount appropriated.

76 [(d)] The Secretary of the Office of Policy and Management shall
77 adopt regulations, in accordance with the provisions of chapter 54,
78 establishing: (1) A procedure under which a municipality shall
79 determine eligibility for the additional exemption under subsection (a)
80 of this section, provided such procedure shall include a provision that
81 when an applicant has filed for such exemption and received approval
82 for the first time, such applicant shall be required to file for such
83 exemption biennially thereafter, subject to the provisions of subsection
84 (e) of this section; (2) the manner in which a municipality shall apply
85 for reimbursement from the state for the revenue loss represented by

86 the additional exemptions provided for in subsections (a) and (b) of
87 this section, which shall provide a penalty for late filing of such
88 application for reimbursement of two hundred fifty dollars but shall
89 also provide that the secretary may waive such forfeiture in
90 accordance with procedures and standards contained in such
91 regulations; and (3) the manner in which the Office of Policy and
92 Management may audit and make adjustments to applications for
93 reimbursement from municipalities for a period of not more than one
94 year next succeeding the deadline for such application.]

95 [(e)] (f) Any person who has submitted application and been
96 approved in any year for the additional exemption under subsection
97 (a) or (b) of this section shall, in the year immediately following
98 approval, be presumed to be qualified for such exemption. If, in the
99 year immediately following approval, such person has qualifying
100 income in excess of the maximum allowed under [said] subsection (a)
101 or (b) of this section, such person shall notify the tax assessor in the
102 town allowing the additional exemption on or before the next filing
103 date for such exemption and shall be denied such exemption for the
104 assessment year immediately following and for any subsequent year
105 until such person has reapplied and again qualified for such
106 exemption. Any person who fails to notify the tax assessor of such
107 disqualification shall make payment to the town in the amount of
108 property tax loss related to the exemption improperly taken. Not more
109 than thirty days after discovering such person's ineligibility for the
110 exemption, the assessor shall send written notification of such person's
111 identity to the Secretary of the Office of Policy and Management. If any
112 payment was remitted under subsection [(c)] (e) of this section with
113 respect to a period for which such person was not eligible for the
114 exemption, the amount of the next payment made to the town shall be
115 reduced by the amount of payment made erroneously.

116 (g) The Secretary of the Office of Policy and Management shall
117 adopt regulations, in accordance with the provisions of chapter 54,
118 establishing: (1) A procedure under which a municipality shall

119 determine eligibility for any additional exemptions under subsections
 120 (a), (b) and (d) of this section, provided such procedure shall include a
 121 provision that when an applicant has filed for either of such
 122 exemptions and received approval for the first time, such applicant
 123 shall be required to file for such exemption biennially thereafter,
 124 subject to the provisions of subsection (f) of this section; (2) the manner
 125 in which a municipality shall apply for reimbursement from the state
 126 for the revenue loss represented by the additional exemptions
 127 provided for in subsections (a) and (b) of this section, which shall
 128 provide a penalty for late filing of such application for reimbursement
 129 of two hundred fifty dollars, but shall also provide that the secretary
 130 may waive such forfeiture in accordance with procedures and
 131 standards contained in such regulations; and (3) the manner in which
 132 the Office of Policy and Management may audit and make adjustments
 133 to applications for reimbursement from municipalities for a period of
 134 not more than one year next succeeding the deadline for such
 135 application.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2013, and applicable to assessment years commencing on and after said date</i>	12-81g
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VA *Joint Favorable Subst. C/R*

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FIN *Joint Favorable*